

~~SECRET~~

1. Civil Aviation is a particularly effective cold-war weapon because under-developed nations are eager to "show their flag" in international air operations.

2. The Soviets are in a position to use civil aviation as a cold-war weapon in ways not open to free economies:

- a) TU-104 prestige
- b) Below-cost offers of aircraft
- c) Speed and flexibility of Soviet aid in civil aviation
- d) Capitalizing on anti-imperialist feelings

3. The Soviets are aware of the economic factors and are taking sensible measures to make their aircraft more competitive.

4. Soviet technology, proven in its weapon and space developments, is capable of providing top-rate competition in civil aviation.